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Posted 10/10/2005 11:00 PM Updated 10/10/2005 11:51 PM

AT&T solves VoIP's 911 issue

By Leslie Cauley, USA TODAY

NEW YORK — AT&T says it's solved a problem that has dogged Internet-based phone service: how to provide emergency 911 to people who use VoIP — short for Voice over Internet Protocol — on the road.

The problem: VoIP users who call 911 from hotels and other remote sites sometimes can't be found by 911 operators. That's because the correct locations of these "nomadic" users don't show up on operators' screens.

The Federal Communications Commission has given Internet phone carriers until Nov. 28 to make their VoIP services 911-capable. AT&T's rival carriers are still working on the problem.

The national 911 service uses databases crammed with customers' home addresses to pinpoint the location of callers. VoIP is mobile. So home addresses are meaningless if a customer uses an Internet phone in a different location.

AT&T, which invented the USA's 911 service in 1968, estimates that about 5% of its 53,000 VoIP customers use the service on the road. There are about 2 million VoIP users nationwide.

"That is the bane of everybody's existence," says Robert Quinn, an AT&T vice president.

AT&T's nomadic solution, called Heartbeat, uses its Internet network to track the location of users. Here's how it works:

When VoIP customers power down, AT&T's network will automatically suspend VoIP service. Once the phone adapter is plugged back in, AT&T will ask the user to verify his or her location.


For customers who indicate they haven't moved, service will be instantly restored. If they have moved, they'll be directed to an 800 number or a Web page to register the new location.

AT&T's VoIP units — sold under the CallVantage name — are programmed to contact the carrier's global network once every 24 hours. During these communications, AT&T sends software upgrades and does maintenance.

Heartbeat works off that same protocol, Quinn notes.

AT&T's solution isn't foolproof. If a customer fails to verify he's moved to a remote location, AT&T has no way to check, Quinn says.

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The plan also has a limited reach. CallVantage now connects to about 50% of the "public safety administration points" that administer the 911 program. Those who travel outside that footprint will immediately lose service, Quinn says.

Brigham T. Edgel Declaration Exhibit 6

Denver MSA

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Quinn allows that AT&T's fix "isn't the most elegant solution." Still, he says, AT&T is hopeful it will help educate the public about VoIP, particularly the 911 limitations.

AT&T, which has been sold to SBC — the deal could close as early as next month — is open to licensing its Heartbeat solution to other carriers, Quinn says.

The letter outlining the Heartbeat plan was sent to the FCC on Friday. Quinn says AT&T developed the plan after talking with FCC Chairman Kevin Martin.

Vonage, the USA's biggest VoIP player, is working with vendors to meet the FCC's Nov. 28 deadline. Spokeswoman Brooke Schulz says Vonage's 911 plans are "moving along nicely."

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**DECLARATION OF ROBERT H. BRIGHAM AND DAVID L. TEITZEL
REGARDING THE STATUS OF COMPETITION IN THE DENVER,
COLORADO METROPOLITAN STATISTICAL AREA**

EXHIBIT 7


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Telecommunications

Increasing Margins with Lower Transport Costs

Carriers are expanding their networks to complete coverage, increase QoS and grow market share. As a result they face rapidly increasing transport costs. Whether it is local loop charges or backhaul transport, carriers need to quickly address operational expenses to drive fiscal performance

Carrier face other issues, like having limited configuration options and spotty coverage in residential and rural areas. While most networking companies can deliver in certain areas, very few have a wide footprint. Those that do have broader coverage, usually have rigid pricing structures and inflexible service configurations. Worst of all, you are often buying from a competitor or their parent company

Comcast's services can be deployed quickly and efficiently with minimal wait and bureaucracy than you are typically confronted with when purchasing services from traditional telephone carriers. Comcast We offers carriers a range of services that can support your voice and data transport needs with much lower costs. From traditional TDM, ATM and SONET, to Ethernet and managed wavelength configurations, Comcast has a solution to meet virtually any requirement.

Our pricing structures aren't impacted by LATA boundaries or local loop charges allowing us to offer more flexible terms. We can provision a tailored network that can rapidly scale so you don't need to over-engineer for future demand.

Comcast Commercial Services leverages the massive network of our parent company. This allows you to have managed access on a carrier class transport network designed for broadband applications. Our reach is broad and deep, with capacity in dense urban, sprawling suburban and even many rural areas others can't reach. More importantly, Comcast's Network is not part of the traditional telecommunications infrastructure, allowing Comcast to offer a physically diverse routing.

Comcast Advantage

Lower-cost data and voice transport on a single company's fiber network with broad reach and technical and economic flexibility.

Carrier Benefit

Cost-effective transport that can reach into new markets and scale at a moments notice. A stable and reliable service from a trusted network provider.

[Contact us](#) today to find out how your transport needs and our capabilities can be meshed for the technical and financial benefit of

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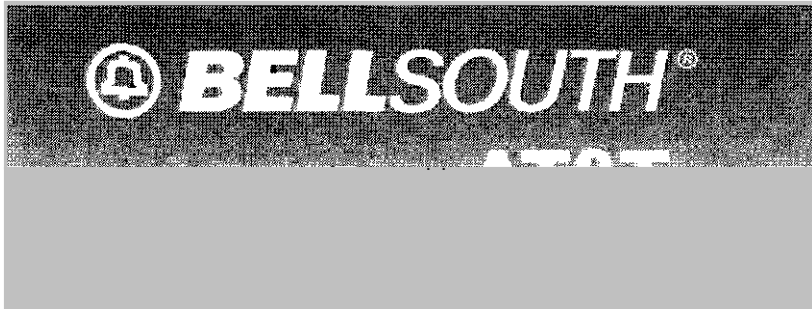
Denver MSA

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- - > Wholesale

AT&T Wholesale



Welcome to AT&T Wholesale Services

Years of experience serving wholesale customers, targeted investment in our network and technology innovation have positioned AT&T as an industry leader. With AT&T Wholesale's dedicated sales, customer care and global operations teams at your side, you will have the networking expertise to support a full range of voice, video, data and IP services - for you and your customers.

AT&T Wholesale Services creates offers to:

- Help you grow and evolve your customers' businesses, as well as your own, with both traditional and emerging services;
- Extend value of existing services with technological advancements in IP, VPNs, e-Services, VoIP and security; and
- Deliver customized solutions for carriers, wireless operators, cable MSOs and systems integrators for scale and value.

AT&T Wholesale named "Company of the Year" by Frost & Sullivan

Citing leadership in product innovation and marketing advancement, Frost & Sullivan selected AT&T Wholesale the 2007 North American Wholesale Business Services Company of the Year. AT&T was also recognized for its market potential, technological innovations and successful execution of key business initiatives.

AT&T Wholesale Business Services - Global Enterprise and Wholesale Customers Can Now Manage Their Network Anytime, From Anywhere

AT&T Wholesale Business Services - Global Enterprise and Wholesale Customers Can Now Manage Their Network Anytime, From Anywhere

AT&T Wholesale Business Services - Global Enterprise and Wholesale Customers Can Now Manage Their Network Anytime, From Anywhere

New Optical Mesh Service Gives Enterprise and Wholesale Customers Unprecedented Control Over Their Network Capacity

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AT&T Named "Best National U.S. Wholesale Provider" in *Capacity* Magazine's Second Annual Global Wholesale Awards

San Antonio, Texas, November 13, 2006

Amsterdam, Netherlands — AT&T Inc. (NYSE:T) today announced that AT&T has further solidified its position as a leading provider of wholesale services, receiving the "Best National U.S. Wholesale Provider" award from *Capacity* magazine, as part of the publication's second annual Global Wholesale Awards. The award was announced at the *Capacity* Europe 2006 conference in Amsterdam.

Capacity is the only monthly publication that focuses on the latest business techniques and strategies for bringing innovation and efficiency to the global wholesale telecommunications industry. The judging panel for the awards included leading telecom industry analysts from the Yankee Group, Ovum and ATLANTIC-ACM as well as the editors of *Capacity*.

"AT&T won the "Best National U.S. Wholesale Provider" award based on the reach of the AT&T network, quality and performance of the network, as well as the company's successful integration post-AT&T and SBC merger," said Mark Kemp, CEO and editor in chief of *Capacity*. The award was judged on factors: quality and performance of network, reach of network, speed to market, pricing strategy and investment in network.

"Our award-winning network that supports the convergence of voice, data, and video is key to helping our customers extend their reach and maximize their potential in a rapidly changing business environment," said Sherry Charles, vice president of AT&T Wholesale Marketing, AT&T Enterprise Services, Inc. "From Day One, the AT&T-SBC merger integration has been customer-focused to simplify and improve processes and make the transition easy for customers. We are pleased to be recognized for our commitment to deliver reliable, cost-effective solutions built on a robust network infrastructure, and this award substantiates our leadership."

AT&T operates one of the largest, most sophisticated and secure communications networks in the world. AT&T's longstanding tradition of network performance, reliability, quality, innovation and security form the cornerstones of the services portfolio. AT&T's U.S. networks consistently deliver more than 99.99 percent network reliability, including more than 99.99 percent IP/MPLS network availability, through proactive 24x7 network monitoring.

AT&T has one of the largest voice networks in the U.S. Its transport facilities consist of more than 80,000 route miles of fiber optic cable, including 14.8 miles of next-generation fiber capable of supporting OC768. Overlaid with an intelligent optical network and over 6,700 SONET rings, AT&T has one of the largest and most reliable IP/MPLS networks in the U.S. connecting 36 cities via multiple OC48/OC192 links and more than 100 smaller cities to the backbone with multiple OC3s in a star configuration. Earlier this year, AT&T announced its intention to upgrade core routes within its IP network to OC768.

As a leading provider of wholesale services, AT&T provides complete end-to-end solutions locally and globally for carriers, wireless operators, cable providers, systems integrators and internet service providers. The company can help businesses grow by extending their Footprint, strengthening their network infrastructure, making their internal business operations more efficient and complementing their existing offers with value-added application services.

Note: This AT&T release and other news announcements are available as part of an RSS feed at www.att.com/rss.

About AT&T

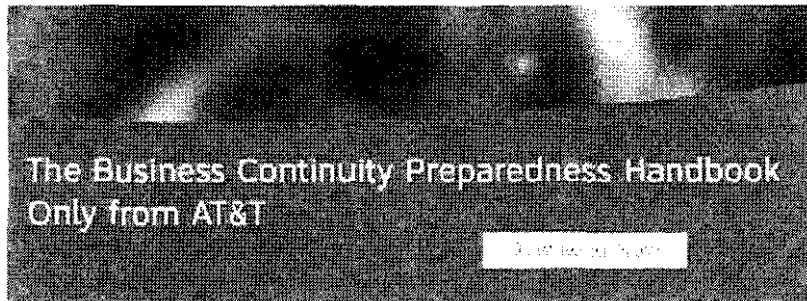
AT&T Inc. is one of the world's largest telecommunications holding companies and is the largest in the United States. Operating globally under the AT&T brand, AT&T companies are recognized as the leading worldwide providers of IP based communications services to business and as leading U.S. providers of high speed DSL Internet, local and long distance voice, and directory publishing and advertising services. AT&T Inc. holds a 60 percent ownership interest in Cingular Wireless, which is the No. 1 U.S. wireless services provider with 58.7 million wireless customers. Additional information about AT&T Inc. and AT&T products and services is available at <http://www.att.com>.

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> Wholesale

Products & Services



Voice Networking Solutions

The full spectrum of wholesale voice capabilities provided by AT&T helps you simplify the way you purchase and use voice communication services which are highly marketable to your customers. With AT&T as your single-source provider, you gain access to our powerful voice networking solutions.

AT&T
Voice Services
Voice Services
Voice Services

Data Networking Solutions

AT&T has been building and delivering mission-critical data services to service providers for many years. Our data services help you build flexibility, high reliability, performance and scalability into your service offerings.

AT&T
Data Services
Data Services

IP Networking Solutions

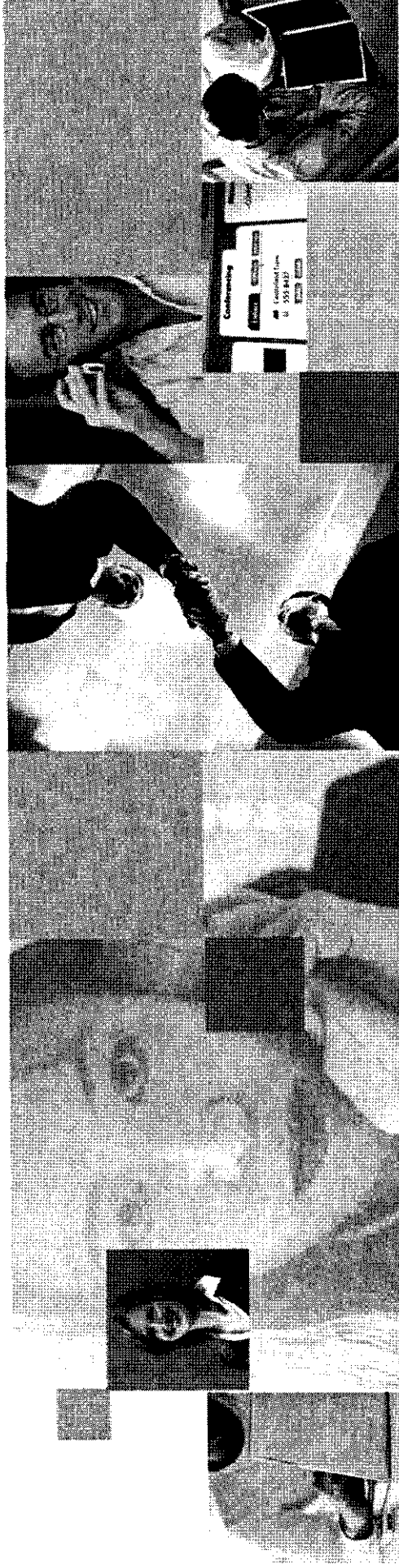
AT&T is a global market leader in IP networking. Our customers confidently and cost-effectively incorporate leading-edge technologies and capabilities into their own networks - and those of their customers - by selecting from AT&T's extensive wholesale IP and Managed Services portfolio.

AT&T
IP Networks (VPNs)

Value Added Services

AT&T Value-added Services enable you to build flexibility, high reliability, performance and scalability into your application services offerings.

TRANSFORMING COMMUNICATIONS THROUGH BROADBAND INNOVATION



Covad Communications Group Inc.
Investor Presentation
Ticker: DVW

COVAD®



Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995:

This presentation discusses the Company's future business outlook. In this presentation we will make projections and other forward-looking statements regarding future events or the future operational and/or financial performance of the Company, including without limitation statements regarding future revenue, including VoIP, T1 and wireless revenue, A-EBITDA projections, our plans for new services, such as ADSL 2+, bonded T-1, metro Ethernet, G.SHDSL, IPTV, video, WiMAX service and wireless broadband, and the stability of the regulatory and legislative environment. The Company disclaims any obligation to update any projections, estimates or other forward-looking statements. We caution you that such statements are only projections and actual events or results may differ materially as a result of risks facing the Company or actual results differing from the assumptions underlying such statements. Such risks and assumptions include, but are not limited to, the Company's ability to continue to enhance and expand sales of its services, deploy new services, increase automation in its processes, respond to increasing competition from other companies that provide voice and data services, manage the Company's growth, maintain suitable interconnection agreements with the phone companies, all in a timely manner, at reasonable costs and on satisfactory terms and conditions, as well as new regulatory, legislative, and judicial developments. All forward-looking statements are expressly qualified in their entirety by the above "Risk Factors" and other risk factors and cautionary statements included in the Company's Forms 10-K and 10-Q filed with the SEC.

Please refer to our Q3 2006 Earnings Release and attached tables at <http://www.covad.com/companyinfo/investorrelations/> for reconciliations of non-GAAP financial measures to the most comparable GAAP financial measures.



Covad is a national, facilities-based provider of voice, wireline and wireless broadband services

- **Founded in 1996, recently celebrated 10th anniversary, ~1,000 employees**
- **As the leading next-generation communications service provider, we are transforming communications through broadband innovation**
 - Largest ADSL 2+ network with capabilities to deliver next generation broadband and voice services to over 14 million homes and businesses
 - Largest market share of Hosted VoIP with a complete product portfolio addressing the SMB market¹
 - Leading fixed wireless provider, uniquely positioned to capitalize on the emergence of WiMAX
- **National Network and Scalable Infrastructure**
 - 2,050 central offices across 235 MSAs
 - Next-generation network capability in 11 Tier 1 markets
 - LPVA, Bonded T1, ADSL 2+, MetroEthernet, Video, G.SHDSL
 - 100 wireless base stations passing 500,000 businesses
- **Making an excellent customer experience our #1 priority**
 - 532,000 Access Lines
 - 2,500 VoIP sites (47,000 users)
 - 3,100 Wireless customers



Covad has continued its transition from a wholesale broadband-only company to a differentiated Next-Generation Communications Service Provider.

- Actively transitioning from legacy, data-only products to bundled voice and data solutions sold direct
 - 43 06 Direct subscription revenue mix: \$40M, 37% of total subscription revenue
- Unique growth products continue to gain scale
 - \$44M in subscription revenue in 43 06, +51% from Q3 05
 - Fueled primarily by T1, VoIP and Wireless
- Next-generation network build-out completed in **11** top markets
 - 758 central offices in Covad's largest markets, capable of offering service to over 14M homes and businesses
- Expanded wireless broadband services, presence in four key markets- **SFO/Bay Area, Los Angeles, Chicago, Las Vegas**
- New partners continue to seek Covad for its national scale and unique product capabilities





Largest National, Facilities-based, Next-Generation Communications Service Provider

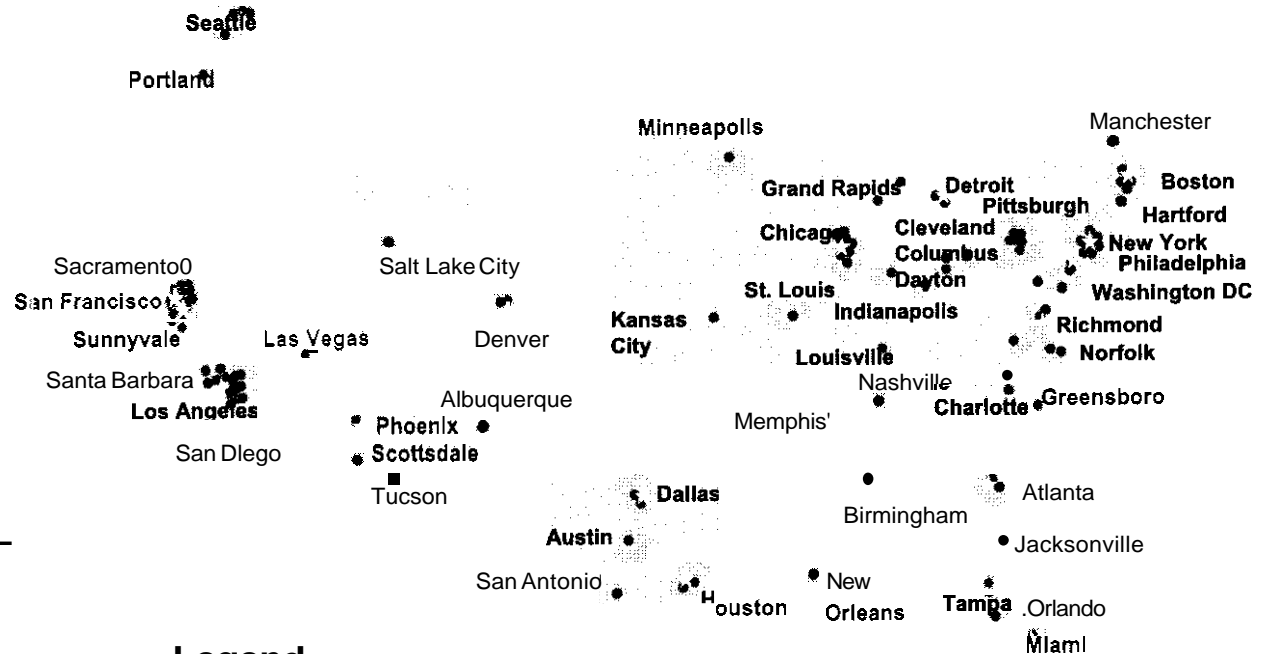
- **2,050 COs in 235 MSAs**

- **Next-generation network**

- 758 COs in top 11 markets*
- Capable of serving ~14M+ homes and businesses
- LPVA, Bonded T1, ADSL 2+, MetroEthernet, Video, G.SHDSL capabilities

- **100+ wireless base stations passing 500k+ businesses**

- SF Bay Area, Los Angeles, Las Vegas, Chicago



Legend

- ATM Hub Sites
- ★ Internet Pops
- CO footprint



Covad Communications Group Inc.

Brigham/Teltzel Declaration Exhibit 1
Denver MSA

Go To Market

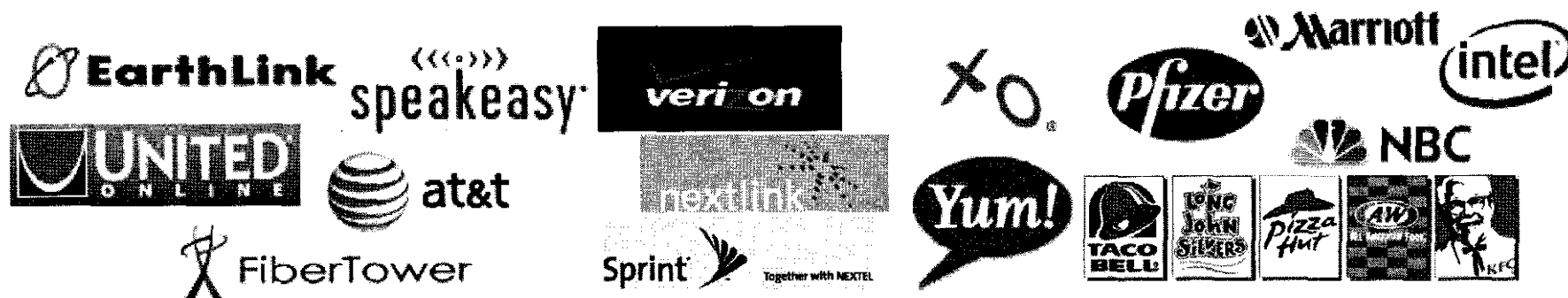
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Covad's focus is driving growth from bundled voice and data products through its Direct channel, targeted at the SMB market

	Consumer	SOHO (1-5)	VSB (5-20)	SMB (21-100)	Distributed Enterprise (100-1,000)	Medium Enterprise (1,000-10,000)	Enterprise (10,000+)
Covad Direct			xDSL, T1, VoIP, VOA, Wireless				
Covad Wholesale		LPVA, ADSL			VOA, xDSL, T1, Frame Access		

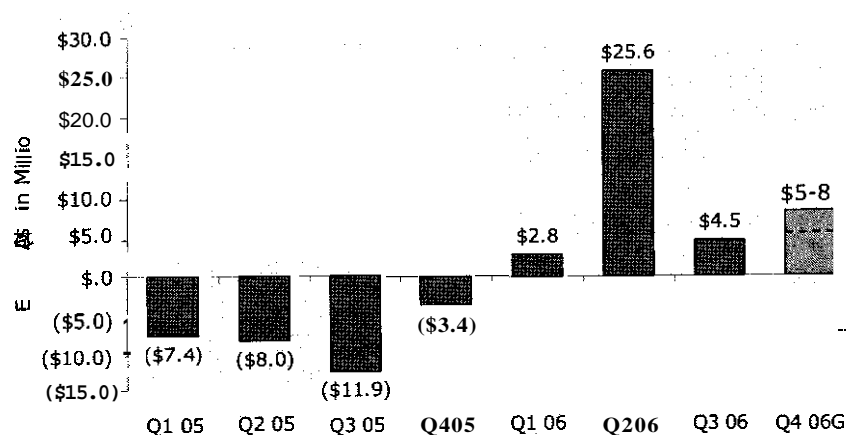
	Direct	Wholesale
Q3 06 Subscription Revenue, Mix	\$39.6M, 37%	\$68.5M, 63%
Annual Revenue Growth (Q3 05 to Q3 06)	24%	(0.5%)
Key Growth Products	Business ADSL, T1/Bonded T1, VoIP, Wireless	Business ADSL, T1/Bonded T1, VOA, LPVA, ADSL 2+
# of Sales Reps	150+	20
# of Selling Partners	1,400+ Agents/ Dealers	300+

- **Accelerated revenue growth from differentiated products**
 - Fully launched LPVA in all 11 markets as of the end of 2006, sales volume has increased substantially
 - Strong growth expected to continue from T1, VoIP and Wireless
 - Leveraging the next-generation network capability for new products
 - LPVA: launched in Q4 06, ADSL 2+ and Bonded T1: 1H 07
- **Unique set of assets will continue to attract strategic partners**



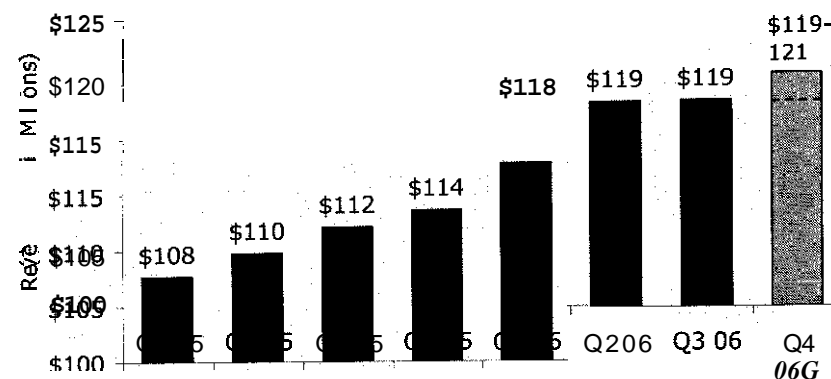
- **Recent AT&T merger concessions provide stable regulatory environment**
 - UNE and Special Access rate freeze until 2010
 - No forbearance petitions with the FCC during this time

A-EBITDA



- \$16.4M in A-EBITDA growth
- 21% reduction in Q3'06 SG&A spend
- Cash flow positive in Q3'06, excluding \$14.6M in next-generation network project expenses

Total Revenue

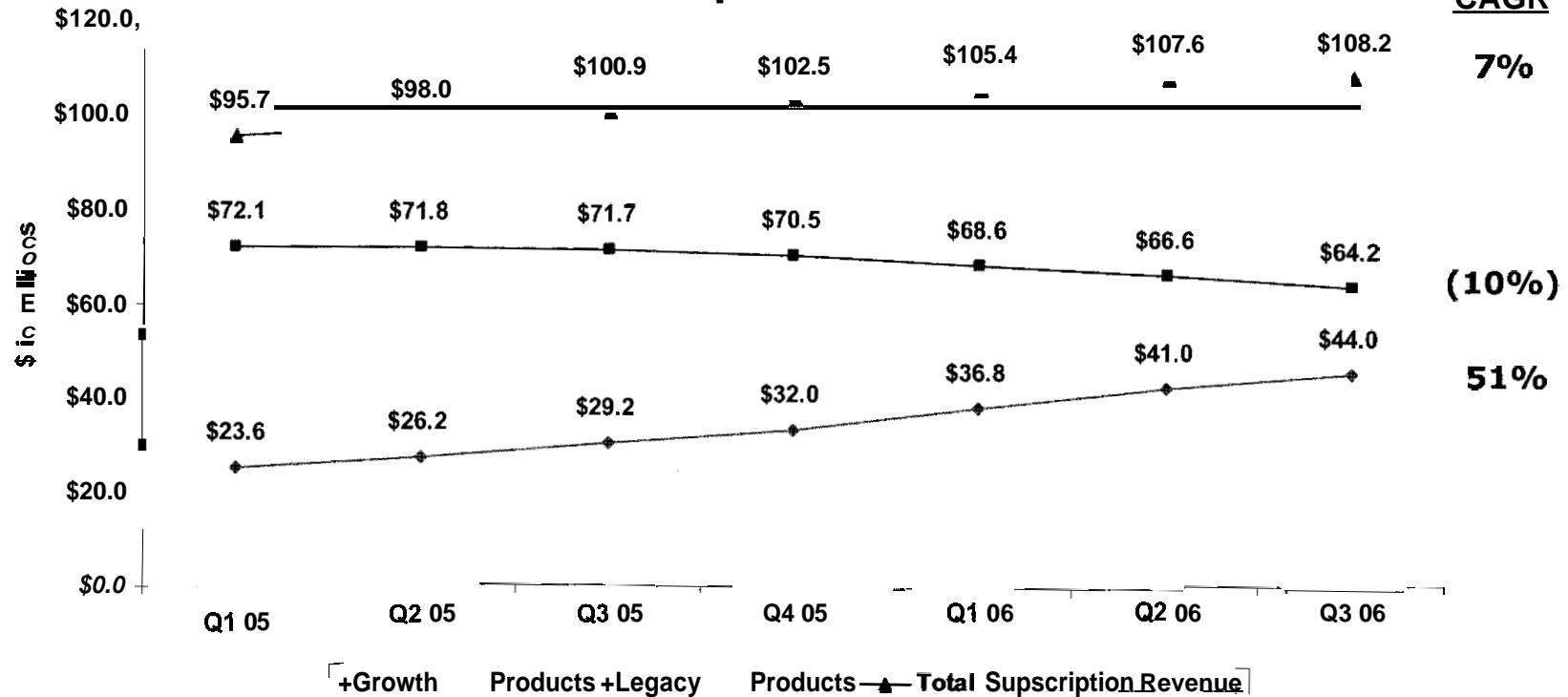


- 25% Annual growth from Direct Business
- \$7M in VoIP subscription revenue in Q3'06, 84% annual growth
- \$22.8M in T1 subscription revenue in Q3'06, 43% annual growth
- 51% Annual growth from Growth Products

Notes:

- All annual growth and comparative metrics are measured from Q3'05 to Q3'06
- Q2'06 A-EBITDA includes the benefit of a transaction tax adjustment of \$19.5M and a \$2.1M employment related tax adjustment. Excluding these one-time items, A-EBITDA was \$4M
- Q1'06 includes \$1.7M benefit from ACCA; without ACCA, A-EBITDA in Q1'06 was \$1.0M

Subscription Revenue



Legacy Products	ARPU	Q3 Mix
➤ Business SDSL	\$90-100	34%
➤ Consumer ADSL	\$20-25	20%
➤ Partner Circuits	N/A	4%
➤ Frame Access	\$70-80	1%

Growth Products	ARPU	Q3 Mix
➤ T1	\$300-400	21%
➤ Business ADSL	\$50-75	10%
➤ VoIP	\$1,500-2,000	6%
➤ Wireless*	\$300-350	3%
➤ LPVA	\$30-40	-1%
➤ Bonded T1**	N/A	0%

Note: ARPU's are blended across wholesale and direct segments

*hi-cap wireless ARPU: \$3,000-5,000

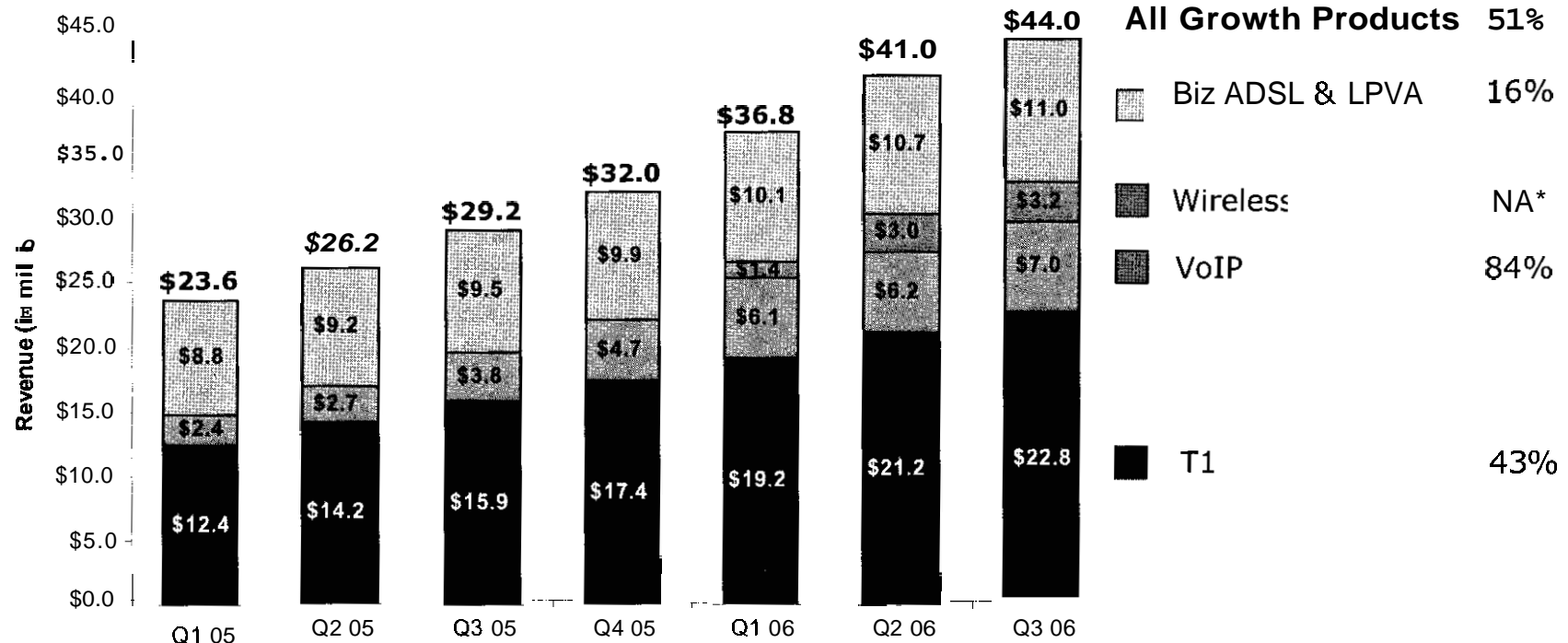
**bonded T1 available in 1H 07



Covad growth products, currently comprising 41% of total subscription revenue, are expected to accelerate in 2007 with the launch of LPVA and Bonded T1 services

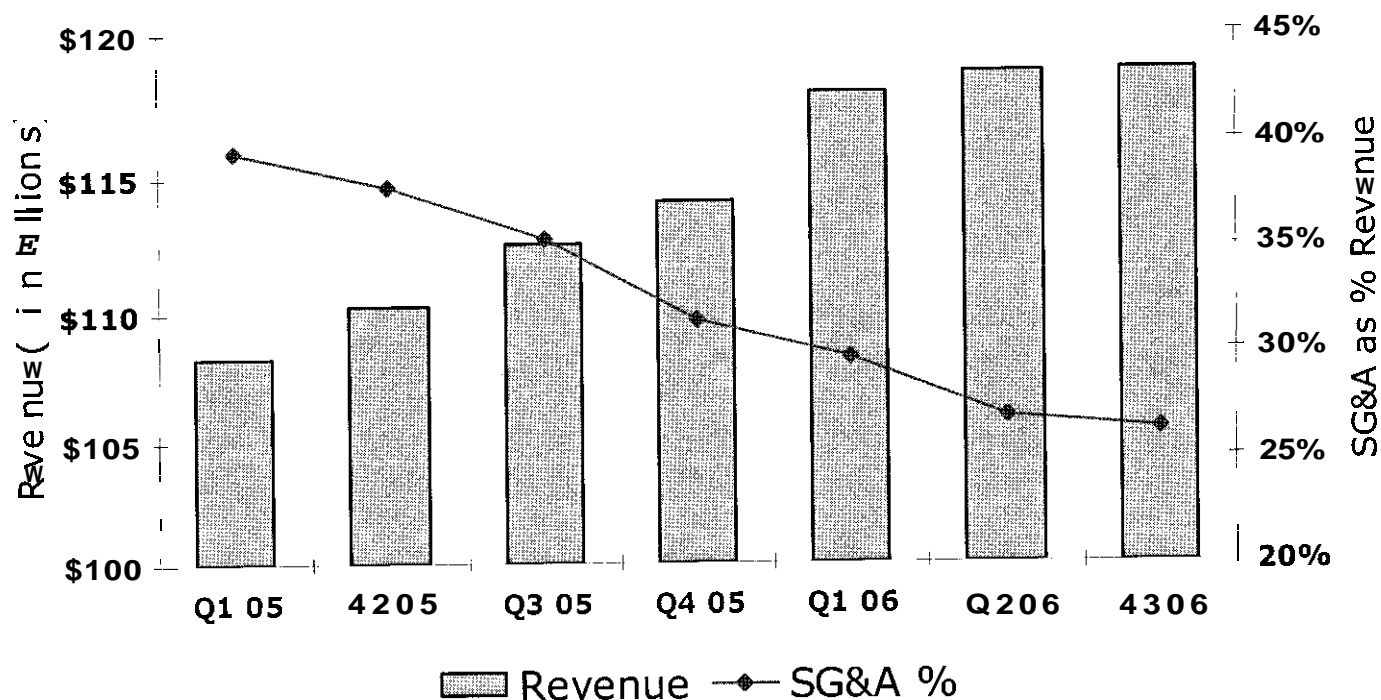
Growth Products Subscription Revenue

03/05/06
CAGR



*Closed NextWeb transaction in Q1 2006

Investments in back-office automation and operational scaling have enabled Covad to reduce SG&A expense while growing revenue



- Covad has a unique set of assets with next generation product **capability** in the top **11** markets
 - 758 central offices, 14M+ homes and businesses
- These assets **enable** Covad to offer differentiated product **solutions** to our customers and partners. Recent **examples** include:
 - EarthLink - Offering a bundle of 8 Mbps DSL+ Local & Long Distance using Covad's Line Powered Voice solution
 - United Online - Agreement to offer consumer ADSL on a national scale
 - FiberTower & NextLink - Covad provides licensed Wireless Hi-Capacity service to companies like Disney, Marriott and Intel
- Growth products expected to **accelerate** in 2007 with the **launch** of LPVA and Bonded T1 services
 - Revenue from Growth products should surpass the Legacy products by mid-to-late 2007
- Improving **financial profile** provides increased **flexibility**
 - Continued focus on operational efficiency
 - Strong capital structure to pursue compelling growth investments



Covad Communications Group Inc.
Fourth Quarter 2006 Earnings Supplement

Safe Harbor Statement

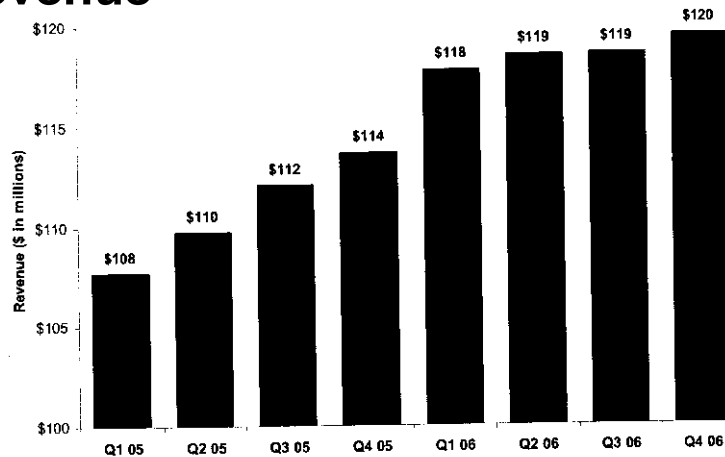
Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995:

This presentation discusses the Company's future business outlook. In this presentation we will make projections and other forward-looking statements regarding future events or the future operational and/or financial performance of the Company, including without limitation statements regarding future revenue and subscription revenue, including VoIP, T1 and wireless revenue and subscription revenue, A-EBITDA projections, our plans for new services, such as ADSL 2+, bonded T-1, metro Ethernet, G.SHDSL, IPTV, video, WiMAX service and wireless broadband, and the stability of the regulatory and legislative environment. The Company disclaims any obligation to update any projections, estimates or other forward-looking statements. We caution you that such statements are only projections and actual events or results may differ materially as a result of risks facing the Company or actual results differing from the assumptions underlying such statements. Such risks and assumptions include, but are not limited to, the Company's ability to continue to enhance and expand sales of its services, deploy new services, increase automation in its processes, respond to increasing competition from other companies that provide voice and data services, manage the Company's growth, maintain suitable interconnection agreements with the phone companies, all in a timely manner, at reasonable costs and on satisfactory terms and conditions, as well as new regulatory, legislative, and judicial developments. All forward-looking statements are expressly qualified in their entirety by the above "Risk Factors" and other risk factors and cautionary statements included in the Company's Forms 10-K and 10-Q filed with the SEC.

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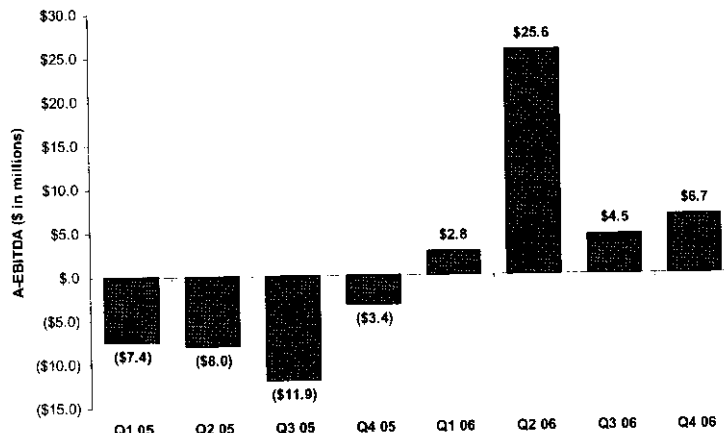
Financial Summary

Revenue



- 2006 Revenue: \$474M
- 44 06 Subscription Revenue: \$110M, +7% vs 44 05
 - Growth Products: \$48M, +48%
 - T1: \$24M, +39%
 - VoIP: \$8.5M, +79%
 - Wireless: \$3.4M
- -8,000 LPVA Net Adds in 44 06

A-EBITDA



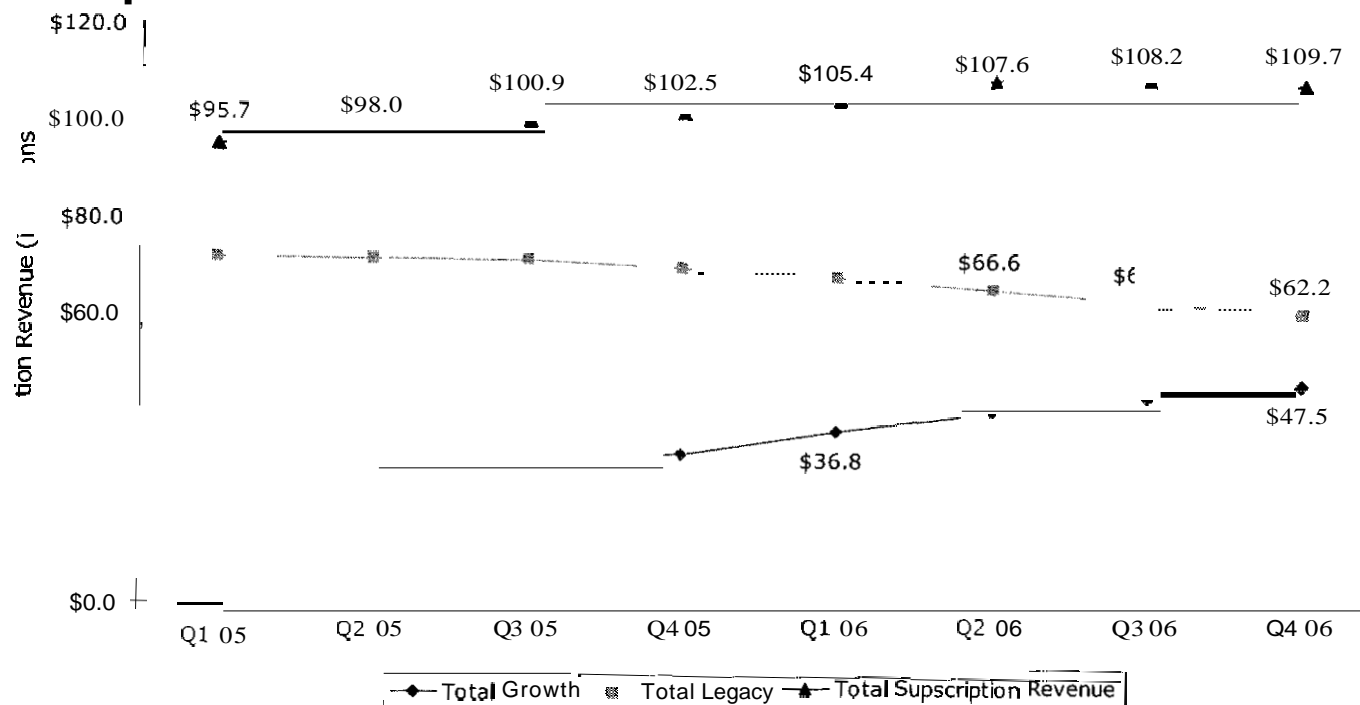
- 2006 A-EBITDA: \$39.6M
- 44 06 A-EBITDA: \$6.7M, +\$10M from 44 05
- 44 06 SG&A: 25% of Revenue, 31% in 44 05

Notes:

- ◆ All growth increases are measured from Q4'05 to Q4'06
- ◆ Q2'06 A-EBITDA includes the benefit of a transaction tax adjustment of \$19.5M and a \$2.1M employment related tax adjustment. Excluding these one-time items, A-EBITDA was \$4M
- ◆ Q1'06 includes \$1.7M benefit from ACCA; without ACCA, A-EBITDA in Q1'06 was \$1.0M

Revenue Growth and Transition

Subscription Revenue



Legacy Products

Product	ARPU	Q4 Mix
Business SDSL	\$90-100	33%
Consumer ADSL	\$20-25	18%
Partner Circuits	N/A	4%
Frame Access	\$70-80	1%

Growth Products

Product	ARPU	Q4 Mix
T1	\$300-400	22%
Business ADSL	\$50-75	9%
VoIP	\$1,500-2,000	8%
Wireless*	\$300-350	3%
LPVA	\$30-40	~1%
Bonded T1**	N/A	0%

Note: ARPU's are blended across wholesale and direct segments

*hi-cap wireless ARPU: \$3,000-5,000

**bonded T1 available in 1H 07

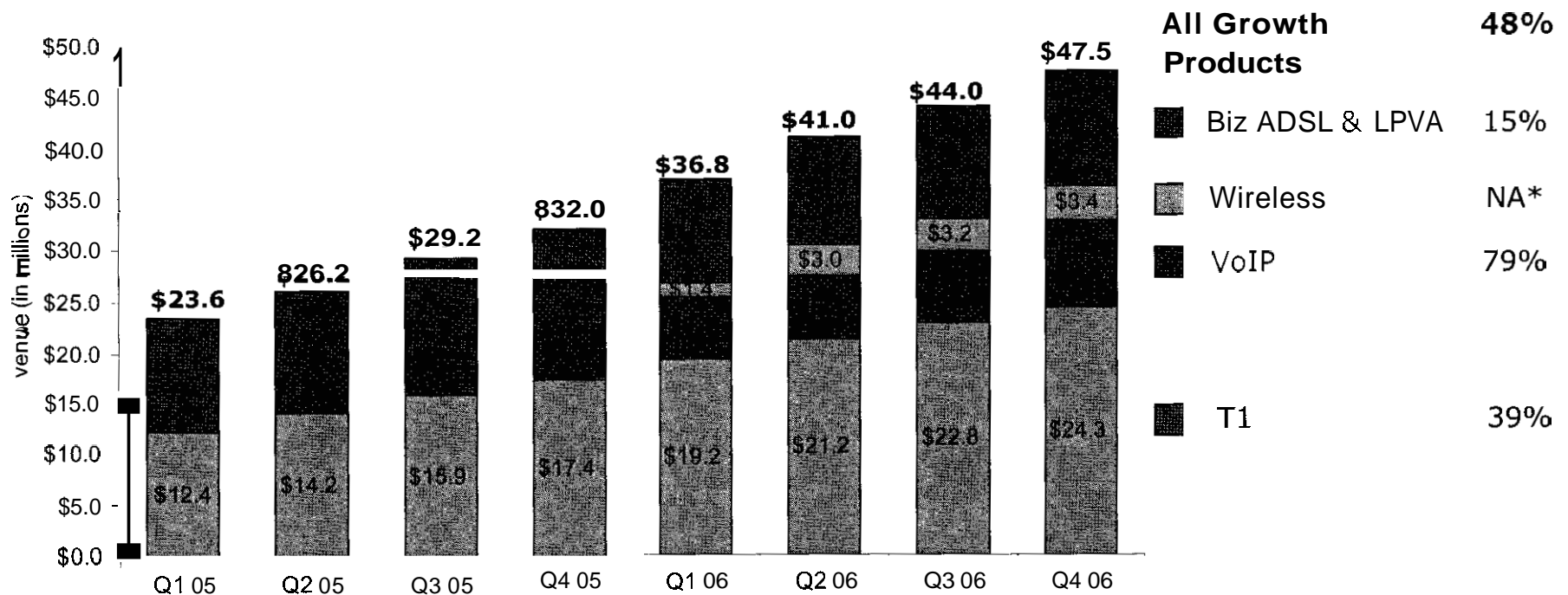
COVAD

Growth Product Revenue

Covad growth products, now comprising 43% of total subscription revenue, are expected to accelerate in 2007 with the expansion of LPVA and launch of Bonded T1 services

Growth Products Subscription Revenue

04/05/06
CAGR



Notes:

* Slight differences in some product revenue stream totals due to rounding

5 *Closed NextWeb transaction in Q1 2006

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